



DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES
Minerals & Mining Program - Oil & Gas Section
2050 West Main, Suite #1, Rapid City, SD 57702-2493
Telephone: 605-394-2229, FAX: 605-394-5317

FORM 2

RECEIVED

MAY 06 2005

DEPT OF ENVIRONMENT & NATURAL
RESOURCES - RCRO

APPLICATION FOR PERMIT TO DRILL

Type of work: <input checked="" type="checkbox"/> Drill New Well <input type="checkbox"/> Reenter Well <input type="checkbox"/> Drill Directional Well <input type="checkbox"/> Other _____		Type of well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Injection <input type="checkbox"/> Other _____	
Name and Address of Operator: Sands Oil Company P.O. Box 373, Billings, MT 59103		Telephone (406) 245-7714	
Name and Address of Surface Owner: Keith Franke Belle Fourche, SD			
Name and Address of Drilling Contractor and Rig Number: Conquest Drilling Company Gillette, WY			
Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available): N/2NW Sec 25, T15N-R2E 1320' FWL & 990' FNL HARDING COUNTY			
If Directional, top of pay and bottom hole location from nearest lines of section: N/A			
Acres in Spacing (Drilling) Unit 320		Description of Spacing Unit N/2	
Well Name and Number Federal #1-25	Elevation 3222' GL	Field and Pool, or Wildcat Cady Creek	Proposed Depth and Formation 1200' Shannon
Size of Hole 1) 9-7/8" 2) 6-1/4" 3) 4)	Size of Casing 7" 4.5"	Weight per Foot 17# 9.5#	Depth 150' 1200'
Cementing Program (amount, type, additives) 50 SX Reg Cl G 100 SX Reg Cl G w/2% CACL			
Depth Surfac Surfac			
Describe Proposed Operations (Clearly State all Pertinent Details, and Give Pertinent Dates, Including Estimated Date of Starting any Proposed Work). Use additional page(s) if appropriate. <i>for</i> Dec 1, 2004 proposed starting date. Drilling will take 2-3 days. <u>June 1, 2005</u> See attached for PORPOSED OPERATIONS			
I hereby certify that the foregoing as to any work or operation performed is a true and correct report of such work or operation. <i>Michael Okerman</i> Signature Michael Okerman Name (Print) SOUTH DAKOTA STATE GEOLOGICAL SURVEY Agent WESTERN FIELD OFFICE Title 7/28/04 Date			
FOR OFFICE USE ONLY			
Approved By: <i>Fred W. Steen</i>		Title: Oil & Gas Supervisor	
Permit No. 1744	API No. 40 063 20592	Date Issued: 06/01/05	
Conditions, if any, on attached page.			